

**RFP-7-77**  
**SECTION ONE**  
**GENERAL INFORMATION AND REQUESTED PRODUCTS/SERVICES**

**1.1 INTRODUCTION**

In accordance with Indiana statute, including IC 5-22-9, the Indiana Department of Administration (IDOA), acting on behalf of the State Personnel Department, requires the services of one or more vendors to provide dental benefits for State of Indiana employees, retirees and participating local units of government. It is the intent of IDOA to solicit responses to this Request for Proposals (RFP) in accordance with the statement of work, proposal preparation section, and specifications contained in this document. This RFP is being posted to the IDOA website (<http://www.IN.gov/idoa/proc>) for downloading. A nominal fee will be charged for providing hard copies. Neither this RFP nor any response (proposal) submitted hereto are to be construed as a legal offer.

**1.2 DEFINITIONS AND ABBREVIATIONS**

Following are explanations of terms and abbreviations appearing throughout this RFP. Other special terms may be used in the RFP, but they are more localized and defined where they appear, rather than in the following list.

IAC	The Indiana Administrative Code.
IC	The Indiana Code.
Implementation	The successful implementation of the plan to the point of full use/operation as specified in the contract resulting from this RFP.
Installation	The delivery and physical setup of products or services requested in this RFP.
Other Governmental Body	An agency, a board, a branch, a bureau, a commission, a council, a department, an institution, an office, or another establishment of any of the following: (1) The judicial branch. (2) The legislative branch. (3) A political subdivision (includes towns, cities, local governments, etc.) (4) A state educational institution
Products	Tangible goods or manufactured items as specified in this RFP.
Proposal	An offer as defined in IC 5-22-2-17.

Respondent	An offeror as defined in IC 5-22-2-18. The State will not consider a proposal responsive if two or more offerors submit a joint or combined proposal. One entity or individual must be clearly identified as the Respondent who will be ultimately responsible for performance of the contract.
Services	Work to be performed as specified in this RFP.
State	The State of Indiana
State Agency	As defined in IC 4-13-1, “state agency” means an authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative, department of state government.
Vendor	Any successful Respondent selected as a result of the procurement process to deliver the products or services requested by this RFP.

### 1.3 PURPOSE OF THE RFP

The State Personnel Department seeks to provide a self-insured dental plan for State of Indiana employees and retirees and a fully-insured plan for participating local units of government.

#### 1.3.1 Eligibility, Enrollment and Effective Date

##### Eligibility

1. All active full-time (37.5 hours per week) employees and their eligible “dependents”.
2. All appointed or elected officials and their eligible “dependents”.
3. Employees eligible under the Short and Long Term Disability Program remain eligible during the period of disability.
4. “Dependent” means:
  - a) Spouse of an employee;
  - b) Any unmarried dependent children, step-children, foster children, legally adopted children of the employee or spouse, or children who reside in the employee’s home for whom the employee or spouse has been appointed legal guardian, under the age of 19 (or 23 if the child is a full-time student at an educational institution). Such child shall remain a “dependent” until marriage or the end of the calendar year in which he/she attains age 19/23. In the event a child who is a “dependent” as defined herein, is both
    - (i) incapable of self-sustaining employment by reason of mental or physical disability, and
    - (ii) is chiefly dependent upon the employee for support and

maintenance;

prior to age 19, such child's coverage shall continue if satisfactory evidence of such disability and dependency is received within 120 days after the end of the calendar year in which the maximum age is attained. Coverage for the "dependent" will continue until the employee discontinues his coverage or the disability no longer exists. A Dependent child of the employee who attained age 19 while covered under another Health Care policy and met the disability criteria specified above, is an eligible dependent for enrollment so long as no break in Coverage longer than sixty-three (63) days has occurred immediately prior to enrollment. Proof of disability and prior coverage will be required. The plan requires annual documentation from a physician after the child's attainment of the limiting age.

5. A group health coverage program that is equal to that offered active employees shall be provided by the State for each "Retired Legislator" who meets the following:

- a) Is no longer a member of the General Assembly;
- b) Who served as a legislator for at least 10 years.

A retired legislator who is eligible for insurance coverage under this section may elect to have the legislator's spouse covered under the health insurance program. In addition, the surviving spouse of a legislator who has died may elect to participate in the group health insurance program if all of the following apply:

- a) The deceased legislator would have been eligible to participate in the group health insurance program under this section had the legislator retired on the date of the legislator's death;
- b) The surviving spouse files a written request for insurance coverage with the employer;
- c) The surviving spouse pays an amount equal to the employer's and employee's premium for the group health coverage for an active employee.

The eligibility of the retired legislator's spouse, or a surviving spouse of a legislator for group health coverage is not affected by the death of the retired legislator and is not affected by the retired legislator's eligibility for Medicare. The spouse's eligibility ends on the earliest of the following:

- a) When the employer terminates the health coverage program;
- b) The date of the spouse's remarriage;

"Dependent" for a "Retired Legislator" means an unmarried person who:

- a) Is a dependent child, stepchild, foster child, or adopted child of a former legislator or spouse of a former legislator or a child who resides in the home of a former legislator or spouse of a former legislator who has been appointed legal guardian for the

child; and

- b) Is less than twenty-three (23) years of age; at least twenty-three (23) years of age, incapable of self-sustaining employment by reason of mental or physical disability, and is chiefly dependent on a former legislator or spouse of a former legislator for support and maintenance; or at least twenty-three (23) years of age and less than twenty-five (25) years of age and is enrolled in and is a full-time student at an accredited college or university.
- 6. “Retirees” meeting the following criteria will continue to be eligible until they become eligible for Medicare:
    - a) Must retire before January 1, 2007;
    - b) Must have reached age fifty-five (55) upon retirement but who is not eligible for Medicare;
    - c) Must have completed twenty (20) years of public service, ten (10) years of which must be continuous State service immediately preceding retirement;
    - d) Must have fifteen (15) years of participation in a retirement fund.
  - 7. “Retirees” meeting the following criteria will continue to be eligible until they become eligible for Medicare:
    - a) Must retire after December 31, 2006.
    - b) Must have reached age fifty-five (55) upon retirement but who is not eligible for Medicare.
    - c) Must have completed fifteen (15) years of public service, ten (10) years of which must be continuous State service immediately preceding retirement.
  - 8. “Retirees” meeting the following criteria will continue to be eligible until they become eligible for Medicare:
    - a) Must have been employed as a teacher in a State institution under IC 11-10-5, IC 12-234-3, IC 16-33-3, or IC 16-33-4;
    - b) Must have reached age fifty-five (55) upon retirement but who is not eligible for Medicare;
    - c) Must have fifteen (15) years of service credit as a participant in the retirement fund of which the employee is a member on or before the employee’s retirement date; or must have completed ten (10) years of service credit as a participant in the retirement fund of which the employee is a member immediately before the employee’s retirement.
  - 9. A group health coverage program that is equal to that offered active employees shall be provided by the State for each “Retired Judge” who meets the following:
    - a) Retirement date is after June 30, 1990;
    - b) Will have reached the age of sixty-two (62) on or before retirement date;
    - c) Is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.;

- d) Who has at least eight (8) years of service credit as a participant in the Judge's retirement fund, with at least eight (8) years of service credit completed immediately preceding the Judge's retirement.
10. A group health coverage program that is equal to that offered active employees shall be provided by the State for each "Retired Prosecuting Attorney" who meets the following:
    - a) Who is a retired participant under the Prosecuting Attorney's Retirement fund;
    - b) Whose retirement date is after January 1, 1990;
    - c) Who is at least sixty-two (62) years of age;
    - d) Who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and
    - e) Who has at least ten (10) years of service credit as a participant in the Prosecuting Attorneys retirement fund, with at least ten (10) years of service credit completed immediately preceding the participant's retirement.
  11. Retirees eligible under subsections 6-10 must file a written request for the coverage within ninety (90) days after retirement. At that time, the retiree may elect to have the retiree's spouse covered. The spouse's subsequent eligibility to continue insurance under the surviving spouse's eligibility end on the earliest of the following:
    - a) Twenty-four (24) months from the date the deceased Retirees coverage is terminated. At the end of the period the spouse would be eligible to remain covered until the end of the maximum period under COBRA;
    - b) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.
    - c) The end of the month following remarriage; or
    - d) As otherwise provided in I.C. 5-10-8-8(g).
  12. Employee on a leave of absence for ninety (90) days or less and out of pay status.
  13. An employee on family/medical leave.
  14. Retirees eligible under IC 5-10-12.
  15. A former legislator, dependent, or spouse as defined and pursuant to the conditions set forth in IC 5-10-8-8.2.
  16. All active and retired full-time and part-time employees, elected or appointed officers and officials of a local unit of government that elect to provide health coverage under this plan. A local unit of government is defined as follows:
    - a) A city, town, county, township, public library, or school corporation
    - b) Any board, commission, department, division, authority, institution, establishment, facility, or governmental unit under the supervision of either the state or a city, town, county, township, public library, or school corporation, having a payroll in relation to persons it immediately employs, even if it is not a separate taxing unit.

17. As otherwise provided by Act of the Indiana General Assembly.

### Enrollment

#### State of Indiana Employees

1. New employees are given to the Monday following the end of the payroll period of their date of hire to enroll.
2. Elected officials and legislators must enroll by January 31<sup>st</sup> of the year following election or re-election.
3. Dependents born or acquired after the date of enrollment must be added within thirty (30) days of the marriage, birth, etc.
4. Enrollment or changes not in accordance with paragraph 1, 2 or 3 may be made as follows:
  - a) During open enrollment period(s) designated by the State;
  - b) Based on the interim qualifying events under Section 125 of the Internal Revenue Code; or
  - c) Or for correction of errors.
5. Persons who have elected coverage hereunder and who have a payroll relationship to the State Auditor must authorize payroll deductions to pay their portion of the cost. Certain disabilitants, certain employees on leave without pay, retirees, local units of government and direct bill agencies remit fees directly to the Corporation.
6. All eligibles, disabilitants and their dependents must be allowed to enroll during open enrollment without regard to an active work requirement or pre-existing condition(s).

#### Local Unit of Government

1. New employees are given to the Monday following the end of the payroll period of their date of hire to enroll, unless otherwise modified by the Local Unit's Binder. See Attachment D – sample LUG binder agreement.
2. Elected officials must enroll by January 31<sup>st</sup> of the year following election or reelection, unless otherwise modified by the Local Unit's binder.
3. Dependents born or acquired after the date of enrollment must be added within thirty (30) days of the marriage, birth, etc.
4. Enrollment or changes not in accordance with paragraph 1, 2 or 3 may be made as follows:
  - a.) during open enrollment period(s) designated by the State;
  - b.) based on the interim qualifying events under Section 125 of the Internal Revenue Code.
5. Persons who have elected coverage hereunder and who have a payroll relationship to the Local Unit must authorize payroll deductions to pay their portion of the cost. Certain disabilitants, certain employees on leave without pay, Retirees and Local Units remit fees directly to the Corporation.

6. All eligibles, disabilitants and their dependents must be allowed to enroll during open enrollment without regard to an active work requirement or pre-existing condition(s).

Effective Date

1. For enrollees whose contribution is collected biweekly through payroll deduction by the State Auditor, coverage shall commence four (4) days after the payroll deduction occurs.
2. For enrollees whose contribution is collected through payroll deduction by a direct bill agency, coverage shall commence the first day of the calendar month following the first premium payment, unless otherwise established.
3. For enrollees whose contribution is collected through payroll deduction by a Local Unit of Government, coverage shall commence the first day of the calendar month following the first premium payment, unless the Binder establishes a different date.
4. Coverage will terminate on the earliest of:
  - a) The date the contract is terminated.
  - b) The end of the period for which premiums have been paid for the following:
    - (i) The withdrawal of deduction authorization for employee and/or dependents coverage;
    - (ii) The date premiums are due, payable and unpaid, except as a result of clerical or inadvertent error;
    - (iii) Termination of employment;
    - (iv) The date a dependent ceases to be eligible ;
    - (v) The death of the employee.
5. Coverage for employees enrolled during the open enrollment period will be determined by the employee's payroll cycle. Coverage will be effective on the following dates and new bi-weekly premium rates will be deducted as follows:

First year of contract:

Payroll Cycle	Pro-rata Premiums Withheld	Effective Date of Coverage
A	12/26/2007	01/01/2008
B	12/19/2007	01/01/2008
Quasi & direct bill agencies	Carrier bills in December	01/01/2008
Local Units of Government	Carrier bills in December	01/01/2008

Coverage effective dates and new bi-weekly premium rates for State employees and retirees for subsequent years will be determined by SPD with

notification to the carriers.

- 1.3.2 SPD seeks proposals for two alternative plan designs. Only one plan will be implemented. The plan implemented will be self-funded for State of Indiana employees and retirees and fully insured for local units of government.

**Plan A**

	Network	Non-participating Dentist
<b>Class I</b>		
Diagnostic and preventative services – Used to diagnose and/or prevent dental abnormalities or disease (includes exams, routine cleanings and fluoride treatments up to age 19). Limit 2 in 12 months	80%	80%
Bitewing Radiographs – Bitewing X-rays.	80%	80%
Emergency Palliative Treatment – Used to temporarily relieve pain.	80%	80%
All Other Radiographs – All other X-rays, as required and in conjunction with the diagnosis of a specific condition requiring treatment.	80%	80%
Sealants – Dental sealants to prevent decay of permanent molars.	80%	80%
<b>Class II</b>		
Oral Surgery – Extractions and dental surgery, including preoperative and postoperative care	80%	80%
Simple Extractions	80%	80%
Minor Restorative Services – Used to repair teeth damaged by disease or injury (for example, fillings). Composite resin restorations on posterior (back) teeth are not covered.	80%	80%
Single Crowns – Used when teeth cannot be restored with a filling.	80%	80%
Periodontics – Used to treat diseases of the gums and supporting structures of the teeth.	80%	80%
Endodontics – Used to treat teeth with diseased or damaged nerves (for example, root canals).	80%	80%
<b>Class III</b>		
Prosthodontics – Used to replace missing natural teeth (for example, bridges, and dentures.	50%	50%



Inlays, onlays and other major restorative services – Used when teeth cannot be restored with another filling material.	50%	50%
Annual Maximum for Class I, II and III benefits	\$750	\$750
Orthodontics – Used to correct malposed teeth and/or facial bones (for example, braces).	50%	50%
Lifetime maximum for Class IV benefits	\$750	\$750
Deductible : The deductible does not apply to Class I and Class IV Benefits. Any deductible applied in the last three months of a benefit year will also be applied to the deductible for the following benefit year.	\$50	\$50

### **Plan B**

	Network	Non-participating Dentist
<b>Class I</b>		
Diagnostic and preventative services – Used to diagnose and/or prevent dental abnormalities or disease (includes exams, routine cleanings and fluoride treatments up to age 14). Limit 2 in 12 months	100%	90%
Bitewing Radiographs – Bitewing X-rays. Limit 1 in 12 months	100%	90%
Emergency Palliative Treatment – Used to temporarily relieve pain.	100%	90%
All Other Radiographs – All other X-rays, as required and in conjunction with the diagnosis of a specific condition requiring treatment.	100%	90%
Sealants – Dental sealants to prevent decay of permanent molars. Limited to 1 <sup>st</sup> molar to age 9, 2 <sup>nd</sup> molar to age 14.	100%	90%
<b>Class II</b>		
Oral Surgery – Extractions and dental surgery, including preoperative and postoperative care	80%	70%
Simple Extractions	80%	70%
Minor Restorative Services – Used to repair teeth damaged by disease or injury (for example, fillings). Composite resin restorations on posterior (back) teeth are not covered.	80%	70%
Single Crowns – Used when teeth cannot be	80%	70%

restored with a filling. Crown replacement is limited to 1 in 7 years.		
Periodontics – Used to treat diseases of the gums and supporting structures of the teeth.	80%	70%
Endodontics – Used to treat teeth with diseased or damaged nerves (for example, root canals).	80%	70%
Class III		
Prosthodontics – Used to replace missing natural teeth (for example, bridges, implants including endosteal implants and dentures). Denture replacement is limited to 1 in 7 years.	60%	50%
Inlays, onlays and other major restorative services – Used when teeth cannot be restored with another filling material.	60%	50%
Annual Maximum for Class I, II and III benefits	\$1250	\$1250
Orthodontics – Used to correct malposed teeth and/or facial bones (for example, braces).	60%	50%
Lifetime maximum for Class IV benefits	\$2000	\$2000
Deductible : The deductible does not apply to Class I and Class IV Benefits. Any deductible applied in the last three months of a benefit year will also be applied to the deductible for the following benefit year.	\$50	\$50
Prophylaxis 4x annually and Periodontal Maintenance Cleaning 4x annually will be provided for individuals with the following conditions: <ul style="list-style-type: none"> <li>• Diabetics w/ Perio</li> <li>• Pregnant Women w/ Perio</li> <li>• Individuals with Renal Failure/Dialysis</li> <li>• Individuals with Suppressed Immune Systems</li> <li>• Head &amp; Neck Radiation Patients (in addition, 2x topical fluoride treatments annually)</li> </ul>	Same % as Preventive services or Same % as Other Perio Services	Same % as Preventive services or Same % as Other Perio Services

### 1.3.3 Details of Plan Benefit Levels

#### **CLASS I - Preventive and Diagnostic Covered Services are:**

- Oral examinations, not more than twice a calendar year.
- X-rays - Bitewing X-rays.

- X-rays - Full mouth X-rays, once in a 36 consecutive month period.
- Oral prophylaxis (cleaning and scaling of teeth) but not more than twice in a calendar year.
- Topical fluoride treatment, not more than one treatment in a calendar year.
- Palliative emergency treatment.
- Space maintainers for Dependent children under 19 years of age.
- Sealants for Dependent children under 19 years of age.

## **Class II - Restorative Covered Services are:**

- Extractions
- Oral surgery
- Fillings, including silver amalgam and acrylic restorations
- Administration of general anesthetics when medically necessary and administered in connection with oral surgery.
- Periodontal treatment (diseases of gums).
- Endodontic treatment (pulp infection and root canal therapy).
- Injections of antibiotic drugs.
- Single crowns
- Apicoectomy (surgical removal of the apex of the tooth root).
- Gingival curettage.
- Gingivectomy and Gingivoplasty.
- Osseous surgery (including flap entry and cleaning)
- Management of acute infections and oral lesions.

## **Class III - Prosthodontics Covered Services are:**

- Initial installation of fixed bridgework.
- Initial installation of partial or full removable dentures.
- Inlays and onlays, and bridges.
- Metal fillings.
- Repair or recementing of bridgework, dentures, crowns and inlays.

## **Class IV - Orthodontic Covered Services are:**

- Orthodontic diagnostic procedures (including cephalometric X-rays).
- Surgical therapy (surgical repositioning of the jaw, facial bones, and/or teeth to correct malocclusion).
- Appliance therapy (braces) including related oral exams and surgery.

## **LIMITATIONS**

- Replacement of existing partial or full removable dentures or fixed bridgework by a new denture or new bridgework, or the addition of teeth to an existing partial removable denture or to bridgework are covered only if there is satisfactory evidence that:

- a. the existing denture or bridgework is at least five (5) years old prior to its replacement, and the existing denture or bridgework cannot be made serviceable.
- b. the replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed.
- If two avenues of treatment are equally appropriate, the less expensive will determine the benefit payable.
- If the Enrollee changes dentists during a treatment program, the benefits provided will be the same as if only one dentist had completed the treatment.

### **ORTHODONTIC EXCLUSIONS**

- Retreatment of prior orthodontic problem.
- Treatment of patients with severe medical disabilities which may prevent satisfactory orthodontic results.
- Replacement and/or repair of an appliance furnished to the patient which is lost or broke through no fault of the orthodontist.
- Orthognathic surgery (surgical orthodontics).
- Prophylactic removal of impacted teeth.

#### **1.3.4 Required Administrative Services**

<b>Service:</b>	<b>Function:</b>
Actuarial and Underwriting	Estimations of annual plan expenses and effects of contemplated changes in plan designs.
Management Reports on Claim Expenses	Various management reports on claim expenses including cost incurred at specific providers, types of plan expenditures and other reports which assist in analyzing and controlling claims.
Reports on Membership	Monthly reporting system detailing membership for active members, retirees, direct bill agencies, and COBRA participants.
Risk Management	Assist in reviewing and providing risk management mechanisms and data.
Consulting	Assist in reviewing trends in the vision field and applying those trends to the State of Indiana plan. Updates and analysis of State or Federal legislation affecting the State of Indiana plan. Assistance in reviewing procedures and making those procedures more efficient and more responsive to plan participants.

Customer Service	Able to provide timely and accurate response to inquires and guarantee access within certain time limits. Provides assistance in responding to participants or administrator's concerns in a timely and accurate manner. A toll-free customer service line and a website must be made available.
Early Retiree Billing	The State of Indiana allows early retirees who have met certain age and service requirements to continue dental coverage (exactly like the active employee group) until Medicare eligibility. The early retiree is billed for 100% of the premium cost by the Corporation (the same cost as is charged to the active employee group).
Leave of Absence Billing	Ability to bill plan participants for identified expenses when on various approved leaves such as family medical leave, military leave, approved leave of absence, or Workers' Compensation.
Billing of Direct Bill (Quasi) Agencies	Ability to direct bill (quasi) agencies eligible to participate in the State of Indiana plan.
Billing of Local Units of Government	Ability to direct bill Local Units of Government participating in the State of Indiana plan.
Billing of COBRA Participants	Ability to bill former employees and/or dependents that elect to continue coverage under COBRA. The Corporation bills the COBRA participant for 102% of the premium cost.
Communication of Plan	Development and production of enrollment cards, summary plan description and other communication materials regarding dental plan. Includes on-site enrollment meetings for employees and local units of government across the State of Indiana.
Plan Protection and Legal Prudence	Demonstrate adequate liability protection, protection of confidentiality of participant information (HIPAA) and legal prudence.
Utilization Review	This will include review of procedures of participating providers for quality, efficiency and elimination of vendor over utilization.
Claim Adjudication	The ability to accurately apply provisions of the State dental plan to submitted claims and respond to participants in a timely manner.
Eligibility Determination	A tracking system capable of interfacing with the State's payroll tapes, which establishes and maintains eligibility lists for the dental

	plan. The Corporation is also responsible for monitoring dependent eligibility and notifying the agency when a dependent is removed from the plan due to ineligibility.
C.O.B.R.A.	Administration of COBRA for plan participants. The initial notification of COBRA rights and the notice of COBRA eligibility will be administered by the State. The Corporation will be responsible for billing the COBRA participant as well as establishing and monitoring periods of eligibility including duration of eligibility and secondary events.
Accounting and Expenditure Control	Demonstrate application of accounting principles and claims cost controls that prevent loss of funds, abuse, fraud and recovery of lost dollars.
Technical	Must have the ability to accept FTP transmissions and ADOBE PDF files.

#### 1.4 SUMMARY SCOPE OF WORK

This document contains the following information that may be useful to anyone wishing to submit a proposal:

Section One -- A description of many factors affecting the proposal process and procedures.

Section Two -- A description of the required format and subject content of any acceptable proposals offered in response to this document.

Section Three -- A general discussion of the method that will be used by an evaluation team in selecting a respondent to recommend to State officials with whom to enter contract negotiations.

Attachments -- Details supporting this basic RFP document.

#### 1.5 RFP OUTLINE

The outline of this RFP document is described below:

Section	Description
Section 1 – General Information and Requested Products or Services	This section provides an overview of the RFP, general timelines for the process, and a summary of the products/services being solicited by the State/Agency via this RFP
Section 2 – Proposal Preparation Instruction	This section provides instructions on the format and content of the RFP including a Letter of Transmittal,

	Business Proposal, Technical Proposal, and a Cost Proposal
Section 3 – Proposal Evaluation Criteria	This sections discusses the evaluation criteria to be used to evaluate respodents’ proposals
Attachment A	Minority and Women Owned Business Participation Plan form
Attachment B	Sample Contract
Attachment C	M/WBE Participation Plan Form
Attachment D	Local Units of Government (LUG) Binder Agreement
Attachment E	Claim Information
Attachment F	Demographic Data

## 1.6 QUESTION/INQUIRY PROCESS

All questions/inquiries regarding this RFP must be submitted in writing by the deadline of **3 p.m. Eastern Standard Time on March 27, 2007**. Questions/Inquiries may be submitted via fax **(317-234-1281)** or email [rfp@idoa.IN.gov](mailto:rfp@idoa.IN.gov) and must be received by Procurement Division by the time and date indicated above.

Following the question/inquiry due date, Procurement Division personnel will compile a list of the questions/inquiries submitted by all Respondents. The responses will be posted to the IDOA website according to the RFP timetable established in Section 1.23. The question/inquiry and answer link will become active after responses to all questions have been compiled. Only answers posted on the IDOA website will be considered official and valid by the State. No Respondent shall rely upon, take any action, or make any decision based upon any verbal communication with any State employee.

Inquiries are not to be directed to any staff member of the State Personnel Department. Such action may disqualify Respondent from further consideration for a contract resulting from this RFP.

If it becomes necessary to revise any part of this RFP, or if additional information is necessary for a clearer interpretation of provisions of this RFP prior to the due date for proposals, an addendum will be posted on the IDOA website. If such addenda issuance is necessary, the Procurement Division may extend the due date and time of proposals to accommodate such additional information requirements, if required.

## 1.7 DUE DATE FOR PROPOSALS

All proposals must be received at the address below by the Procurement Division no later than **3 p.m. Eastern Standard Time on April 17, 2007**. Each Respondent must submit one original (marked “Original”) and eight (8) complete copies of the proposal, including

the Transmittal Letter and other related documentation as required in this RFP. A complete copy of the proposal must be provided on CD-ROM. Each copy of the proposal must follow the format indicated in Section Two of this document. Unnecessarily elaborate brochures or other presentations, beyond those necessary to present a complete and effective proposal, are not desired. All proposals must be addressed to:

Shelley Harris  
Indiana Department of Administration  
Procurement Division  
402 West Washington Street, Room W478  
Indianapolis, IN 46204

**Caution to Respondents about shipping/mailing:** United States Postal Express and Certified Mail are both delivered to the Government Center Central Mailroom, and not directly to the Procurement Division. It is the responsibility of the Respondent to make sure that solicitation responses are received by the Procurement Division at the Department of Administration's reception desk on or before the designated time and date. Late submissions will not be accepted. The Department of Administration, Procurement Division clock is the official time for all solicitation submissions.

All proposal packages must be clearly marked with the RFP number, due date, and time due. Any proposal received by the Department of Administration, Procurement Division after the due date and time will not be considered. Any late proposals will be returned, unopened, to the Respondent upon request. All rejected proposals not claimed within 30 days of the proposal due date will be destroyed.

No more than one proposal per Respondent may be submitted.

The State accepts no obligations for costs incurred by Respondents in anticipation of being awarded a contract.

**All proposals submitted to the State should be double-sided and printed on 30% post-consumer recycled content paper or tree-free paper. When possible, soy ink should be used.**

## 1.8 PRE-PROPOSAL CONFERENCE

It is the decision of the State that no pre-proposal conference is required for this RFP.

## 1.9 MODIFICATION OR WITHDRAWAL OF OFFERS

Modifications to responses to this RFP may only be made in the manner and format described in Section 1.6 and clearly identified as a modification.

The Respondent's authorized representative may withdraw the proposal, in person, prior to the due date. Proper documentation and identification will be required before the



Procurement Division will release the withdrawn proposal. The authorized representative will be required to sign a receipt for the withdrawn proposal.

Modification to, or withdrawal of, a proposal received by the Procurement Division after the exact hour and date specified for receipt of proposals will not be considered.

#### 1.10 PRICING

Pricing on this RFP must be firm and remain open for a period of not less than 180 days from the proposal due date.

Please refer to the Cost Proposal sub-section under Section 2 for a detailed discussion of the proposal pricing format and requirements.

#### 1.11 PROPOSAL CLARIFICATIONS AND DISCUSSIONS, AND CONTRACT DISCUSSIONS

The State reserves the right to request clarifications on proposals submitted to the State. The State also reserves the right to conduct proposal discussions, either oral or written, with Respondents. These discussions could include request for additional information, request for cost or technical proposal revision, etc. Additionally, in conducting discussions, the State may use information derived from proposals submitted by competing respondents only if the identity of the respondent providing the information is not disclosed to others. The State will provide equivalent information to all respondents which have been chosen for discussions. Discussions, along with negotiations with responsible respondents may be conducted for any appropriate purpose.

The Procurement Division will schedule all discussions. Any information gathered through oral discussions must be confirmed in writing.

A sample contract is provided in Attachment B. Any requested changes to the sample contract must be submitted with your response (See Section 2.3.5 for details). The State reserves the right to reject any of these requested changes. It is the State's expectation that any material elements of the contract will be substantially finalized prior to contract award.

#### 1.12 BEST AND FINAL OFFER

The State may request best and final offers from those Respondents determined by the State to be reasonably viable for contract award. However, the State reserves the right to award a contract on the basis of initial proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

Following evaluation of the best and final offers, the State may select for final contract negotiations/execution the offers that are most advantageous to the State, considering cost and the evaluation criteria in this RFP.

### 1.13 REFERENCE SITE VISITS

The State may request a site visit to a Respondent's working support center to aid in the evaluation of the Respondent's proposal. Site visits, if required will be discussed in the technical proposal.

### 1.14 TYPE AND TERM OF CONTRACT

The State intends to sign a contract with one or more Respondent(s) to fulfill the requirements in this RFP.

The term of the contract shall be for a period of 4 years beginning 01/01/08 (or from the date of contract execution), however, the state will consider terms of up to 8 years if there are significant guaranteed savings available.

### 1.15 CONFIDENTIAL INFORMATION

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 *et seq.*, and, after the contract award, the entire RFP file may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the APRA must place all confidential documents (including the requisite number of copies) in a sealed envelope clearly marked "Confidential" and must indicate in the Transmittal Letter and on the outside of that envelope that confidential materials are included. The Respondent must also specify which statutory exception of APRA that applies. The State reserves the right to make determinations of confidentiality. If the Respondent does not identify the statutory exception, the Procurement Division will not consider the submission confidential. If the State does not agree that the information designated is confidential under one of the disclosure exceptions to APRA, it may seek the opinion of the Public Access Counselor. Prices are not confidential information.

### 1.16 TAXES

Proposals should not include any tax from which the State is exempt.

### 1.17 PROCUREMENT DIVISION REGISTRATION

In order to receive an award, you must be registered as a bidder with the Department of Administration, Procurement Division. Therefore, to ensure there is no delay in the award all Respondents are strongly encouraged to register prior to submission of their response. Respondents should go to [www.in.gov/idoa/proc](http://www.in.gov/idoa/proc) and click on "Bidder Registration" to register.

#### 1.18 SECRETARY OF STATE REGISTRATION

If awarded the contract, the Respondent will be required to register, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. Information concerning registration with the Secretary of State may be obtained by contacting:

Secretary of State of Indiana  
Corporation Division  
402 West Washington Street, E018  
Indianapolis, IN 46204  
(317) 232-6576  
[www.in.gov/sos](http://www.in.gov/sos)

#### 1.19 COMPLIANCE CERTIFICATION

Responses to this RFP serve as a representation that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State, and it agrees that it will immediately notify the State of any such actions. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Respondent agrees that the State may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that State may bar the Respondent from contracting with the State, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the State.

#### 1.20 EQUAL OPPORTUNITY COMMITMENT

Pursuant to IC 4-13-16.5 and in accordance with 25 IAC 5, it has been determined that there is a reasonable expectation of minority and woman business enterprises subcontracting opportunities on a contract awarded under this RFP. Therefore a contract goal of 5 % for Minority Business Enterprises and 5% for Woman Business Enterprises have been established and all respondents will be expected to comply with the regulation set forth in 25 IAC 5.

Failure to meet these requirements will affect the evaluation of your proposal.

#### 1.21 MINORITY & WOMEN'S BUSINESS ENTERPRISES RFP SUBCONTRACTOR COMMITMENT

In accordance with 25 IAC 5-5, the respondent is expected to submit with its proposal a MWBE Subcontractor Commitment Form. The Form must show that there are, participating in the proposed contract, Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) listed in the Minority and Women's Business Enterprises Division (MWBED) directory of certified firms located at [www.buyindiana.in.gov](http://www.buyindiana.in.gov).

If participation is met through use of vendors who supply products and/or services directly to the Respondent, the Respondent must provide a description of products and/or services provided that are directly related to this proposal and the cost of direct supplies for this proposal. Respondents must complete the Subcontractor Commitment Form in its entirety.

Failure to meet these goals will affect the evaluation of your Proposal. The Department reserves the right to verify all information included on the MWBE Subcontractor Commitment Form.

Respondents are encouraged to contact and work with MWBED at 317-232-3061 to design a subcontractor commitment to meet established goals as referenced in this solicitation.

**Prime Contractors must ensure that the proposed subcontractors meet the following criteria:**

- Must be listed on the IDOA Directory of Certified Firms
- Each firm may only serve as once classification – MBE or WBE
- A Prime Contractor who is an MBE or WBE must meet subcontractor goals by using other listed certified firms. Certified Prime Contractors cannot count their own workforce or companies to meet this requirement.
- Must serve a commercially useful function. The firm must serve a value-added purpose on the engagement.
- Must provide goods or service only in the industry area for which it is certified as listed in the directory at [www.buyindiana.in.gov](http://www.buyindiana.in.gov)
- Must be used to provide the goods or services specific to the contract
- National Corporate Diversity Plans are generally not acceptable

**MINORITY & WOMEN’S BUSINESS ENTERPRISES RFP SUBCONTRACTOR  
LETTER OF COMMITMENT**

A signed letter(s), on company letterhead, from the MBE and/or WBE must accompany the MWBE Subcontractor Commitment Form. Each letter shall state and will serve as acknowledgement from the MBE and/or WBE of its subcontract amount, a description of products and/or services to be provided on this project and approximate date the subcontractor will perform work on this contract. The State will deny evaluation points if the letter(s) is not attached, not on company letterhead, not signed and/or does not reference and match the subcontract amount and the anticipated period that the Subcontractor will perform work for this solicitation.

By submission of the Proposal, the Respondent acknowledges and agrees to be bound by the regulatory processes involving the State’s M/WBE Program. Questions involving the regulations governing the MWBE Subcontractor Commitment Form should be directed to: Minority and Women’s Business Enterprises Division at (317) 232-3061 or [mwbe@idoa.in.gov](mailto:mwbe@idoa.in.gov).

## 1.22 AMERICANS WITH DISABILITIES ACT

The Respondent specifically agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.* and 47 U.S.C. 225).

## 1.23 SUMMARY OF MILESTONES

The following timeline is only an illustration of the RFP process. The dates associated with each step are not to be considered binding. Due to the unpredictable nature of the evaluation period, these dates are commonly subject to change. At the conclusion of the evaluation process, all Respondents will be informed of the evaluation team's findings.

### ***Key RFP Dates:***

Activity	Date
Issue of RFP	March 20, 2007
Deadline to Submit Written Questions	March 27, 2007
Response to Written Questions/RFP Amendments	April 3, 2007
Submission of Proposals	April 17, 2007
<b><i>The dates for the following activities are target dates only. These activities may be completed earlier or later than the date shown.</i></b>	
Proposal Evaluation	April 18, 2007
Proposal Discussions/Clarifications (if necessary)	May 1, 2007
Oral Presentations (if necessary)	May 8, 2007
Best and Final Offers (if necessary)	May 8, 2007
Contract Award	January 1, 2008

## SECTION TWO PROPOSAL PREPARATION INSTRUCTIONS

### 2.1 GENERAL

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is described in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below:

- Each item must be addressed in the Respondent's proposal.
- The Transmittal Letter must be in the form of a letter. The business and technical proposals must be organized under the specific section titles as listed below

### 2.2 TRANSMITTAL LETTER

The Transmittal Letter must address the following topics except those specifically identified as "optional."

#### 2.2.1 Agreement with Requirement in listed in Section 1

The Respondent must explicitly acknowledge understanding of the general information presented in Section 1 and agreement with any requirements/conditions listed in Section 1.

#### 2.2.2 Summary of Ability and Desire to Supply the Required Products or Services

The Transmittal Letter must briefly summarize the Respondent's ability to supply the requested products and/or services that meet the requirements defined in Section Three of this RFP. The letter must also contain a statement indicating the Respondent's willingness to provide the requested products and/or services subject to the terms and conditions set forth in the RFP including, but not limited to, the State's mandatory contract clauses.

#### 2.2.3 Signature of Authorized Representative

A person authorized to commit the Respondent to its representations and who can certify that the information offered in the proposal meets all general conditions including the information requested in Section 2.3.4, must sign the Transmittal Letter. **In the Transmittal Letter, please indicate the principal contact for the proposal along with an address, telephone and fax number as well as an e-mail address, if that contact is different than the individual authorized for signature.**

#### 2.2.4 Respondent Notification

Unless otherwise indicated in the Transmittal Letter, Respondents will be notified via e-mail.

It is the Respondent's obligation to notify the Procurement Division of any changes in any address that may have occurred since the origination of this solicitation. The Procurement Division will not be held responsible for incorrect vendor/contractor addresses.

#### 2.2.5 Other Information

This item is optional. Any other information the Respondent may wish to briefly summarize will be acceptable.

### 2.3 BUSINESS PROPOSAL

The Business Proposal must address the following topics except those specifically identified as "optional."

#### 2.3.1 General (optional)

This section of the business proposal may be used to introduce or summarize any information the Respondent deems relevant or important to the State's successful acquisition of the products and/or services requested in this RFP.

#### 2.3.2 Respondent's Company Structure

The legal form of the Respondent's business organization, the state in which formed (accompanied by a certificate of authority), the types of business ventures in which the organization is involved, and a chart of the organization are to be included in this section. If the organization includes more than one product division, the division responsible for the development and marketing of the requested products and/or services in the United States must be described in more detail than other components of the organization.

#### 2.3.3 Company Financial Information

This section must include the Respondent's financial statement, including an income statement and balance sheet, for each of the two most recently completed fiscal years. The financial statements must demonstrate the Respondent's financial stability. If the financial statements being provided by the Respondent are those of a parent or holding company,

additional financial information should be provided for the entity/organization directly responding to this RFP

#### 2.3.4 Integrity of Company Structure and Financial Reporting

This section must include a statement indicating that the CEO and/or CFO has taken personal responsibility for the thoroughness and correctness of any/all financial information supplied with this proposal. The particular areas of interest to the State in considering corporate responsibility include the following items: separation of audit functions from corporate boards and board members, if any, the manner in which the organization assures board integrity, and the separation of audit functions and consulting services. The State will consider the information offered in this section to determine the responsibility of the Respondent under IC 5-22-16-1(d).

The Sarbanes Oxley Act of 2002, H.R. 3763, is NOT directly applicable to this procurement; however, its goals and objectives may be used as a guide in the determination of corporate responsibility for financial reports.

#### 2.3.5 Contract Terms/Clauses

A sample contract that the state expects to execute with the successful Respondent(s) is provided in Attachment B. This contract contains mandatory clauses. Mandatory clauses are non-negotiable. It is the State's expectation that the final contract will be substantially similar to the sample contract provided in Attachment B.

In your Transmittal Letter please indicate acceptance of these mandatory contract terms (see section 2.2.2). If you require additional contract terms please include your required terms in this section. If you request changes or additions to the sample contract include those suggestions in this section. To reiterate it's the State's strong desire to not deviate from the contract provided in the attachment and as such the State reserves the right to reject any and all of these requested changes.

Any or all portions of this RFP and any or all portions of the Respondents response may be incorporated as part of the final contract

#### 2.3.6 References

The Respondent must include a list of at least four (4) clients for whom the Respondent has provided products and/or services that are the same or similar to those products and/or services requested in this RFP. Any state government for whom the respondent has provided these products and services should be included; also to be included should be clients with locations near Indianapolis, as site visits may be arranged. Information



provided should include the name, address, and telephone number of the client facility and the name, title, and phone/fax numbers of a person who may be contacted for further information.

### 2.3.7 Registration to do Business

#### Secretary of State

If awarded the contract, the Respondent will be required to be registered, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

Department of Administration, Procurement Division

Additionally, respondents must be registered with the IDOA. This can be accomplished on-line at [www.in.gov/idoa/proc](http://www.in.gov/idoa/proc) .

The IDOA Procurement Division maintains two databases of vendor information. The Bidder registration database is set up for vendors to register if you are interested in selling a product or service to the State of Indiana. Respondents may register on-line at no cost to become a Bidder with the State of Indiana. To complete the on-line Bidder registration, go to <http://www.in.gov/idoa/register/>. The Bidder registration offers email notification of upcoming solicitation opportunities, corresponding to the Bidder's area(s) of interest, selected during the registration process. Respondents do need to be registered to bid on and receive email notifications. Completion of the Bidder registration will result in your name being added to the Bidder's Database, for email notification. The Bidder registration requires some general business information, an indication of the types of goods and services you can offer the State of Indiana, and locations(s) within the state that you can supply or service. There is no fee to be placed in Procurement Division's Bidder Database. To receive an award, you must be registered as a bidder.

Problems or questions concerning the registration process or the registration form can be e-mailed to Shirley Houston, Vendor Registration Coordinator, at [shouston@idoa.in.gov](mailto:shouston@idoa.in.gov), or you may reach her by phone at (317) 232-6870.

### 2.3.8 Authorizing Document

Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section shall contain proof of such authority. A copy of

corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

#### 2.3.9 Subcontractors

The Respondent is responsible for the performance of any obligations that may result from this RFP, and shall not be relieved by the non-performance of any subcontractor. Any Respondent's proposal must identify all subcontractors and describe the contractual relationship between the Respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal.

Any subcontracts entered into by the Respondent must be in compliance with all State statutes, and will be subject to the provisions thereof. For each portion of the proposed products or services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the Respondent and any or all subcontractors will be considered in the State's evaluation. The Respondent must furnish information to the State as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by the State. All subcontracts held by the Respondent must be made available upon request for inspection and examination by appropriate State officials, and such relationships must meet with the approval of the State.

The Respondent must list any subcontractor's name, address and the state in which formed that are proposed to be used in providing the required products or services. The subcontractor's responsibilities under the proposal, anticipated dollar amount for subcontract, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the proposal. The Respondent must indicate which, if any, subcontractors qualify as a Minority or Women Owned Business under IC 4-13-16.5-1. See Section 1.21 and Attachment A for Minority and Women Business information.

## 2.4 TECHNICAL PROPOSAL

The Technical Proposal must be divided into the sections as described below. Every point made in each section must be addressed in the order given. The same outline numbers must be used in the response. RFP language should not be repeated within the response. Where appropriate, supporting documentation may be referenced by a page and paragraph number. However, when this is done, the body of the technical proposal must contain a meaningful summary of the referenced material. The referenced document must be included as an appendix to the technical proposal with referenced sections clearly marked. If there are multiple references or multiple documents, these must be listed and organized for ease of use by the State.

### 2.4.1 Technical Questions

#### Background/General

1. How long has your company been involved in this field?
2. Identify your ownership and for-profit/not-for-profit status.
3. Indicate any quality ratings your product has received.
4. Do you incorporate evidence-based dentistry into your plan designs and clinical management protocols? If so, please describe.
5. If your company should be awarded a contract, approximately what length of time will be required from the date the contract is awarded to the date identification cards and individual certificates or booklets can be furnished?
6. Respondents will be expected to cover all participants who are eligible and elect coverage on the effective date. Does your proposal provide for coverage of all participants on the effective date? If not, please explain.
7. Describe your willingness and ability to comply with all legislative and administrative mandates.
8. As a Business Associate, as defined by HIPAA, please describe your policies for the maintenance, storage, and transfer of Protected Health Information. (Please attach your proposed Business Associate Agreement, if appropriate.)
9. Do you understand that the State requires that your company maintain separate accounting for the fully insured Local Units of Government including Plan and/or Claims utilization?
10. Can you bill quasi-agencies, local units of governments and employees on certain leaves of absence for participation in the State plan? Can you bill Early Retirees for participation in the State plan? Explain how you will do this.
11. Can you bill participants to your plan for COBRA coverage? Include COBRA administration in your fees. Outline your approach to COBRA.

12. Can you provide Certificates of Creditable Coverage for HIPAA purposes at the termination of COBRA or Early Retiree insurance?
13. Explain your proposed procedure to address resolution of situations where you are dissatisfied with an enrollee.
14. How many companies have terminated employer contracts in the last 12 months?
15. List these companies, contact persons, and phone numbers.
16. Are you currently involved in litigation as a result of your work? Describe briefly any cases involving a claim in excess of \$100,000.
17. Has your company been or is it now under investigation by local, state, or federal authorities (e.g., DOL, IRS, FBI)? If yes, please provide a detailed explanation.
18. Highlight any features of your plan and company in general that you believe are competitive advantages over your competition.

#### Reimbursement Fees

1. How do you determine dental reasonable & customary fees? How old is the data used to determine fees? How often are they updated? What is the source?
2. What trend factors have you used during the past three years? What is your trend factor for the next 12 months?

Year	PPO Dental	Indemnity
2004		
2005		
2006		

3. Please indicate how your PPO discounts are calculated and your average contracted discounts in the State of Indiana.
4. Do you offer special negotiated fees to dentists to increase your provider participation?
5. Please explain how your organization protects employees from balance billing.

#### Internet/Electronic Capabilities

1. Please indicate your internet capabilities regarding employee access with a “yes” or “no” by the items listed below. If in the development stage, indicate expected date to go on line in lieu of “yes” or “no”.

	Yes/No with Target Date	Outsourced Vendor, Where Applicable
a. Check the status of claims		

b. Print Claim Forms		
c. Look-up claim history by dependent – print claim forms		
d. Identify network providers		
e. View amount satisfied toward deductible		
f. View EOB remark codes		
g. Request plan design		

2. Do you have an employer-specific web site? What functions can employers perform online:

Employer Functionality	Yes/No with Target Date	Outsourced Vendor, Where Applicable
a. Verify “real-time” member eligibility status?		
b. Make “real-time” eligibility updates?		
c. Submit inquires?		
d. Access management reports?		
e. Other?		

3. Do you have a web site for providers? What functions can providers perform online:

Provider Functionality	Yes/No with Target Date	Outsourced Vendor, Where Applicable
a. Verify “real-time” member eligibility status?		
b. Access plan design summaries?		
c. Submit inquires?		
d. Submit claims?		
e. Other?		

### Customer Service

1. Do customer service representatives have on-line access to provider directories, plan design, eligibility, claim history, computer system to record phone calls, other?
2. Please describe the normal qualifications and training program for customer service representatives and any additional training provided for new client accounts.
3. What are the criteria and standards for evaluating customer service job performance?
4. What is your turnover rate for the employees that perform customer service functions?

5. What is your company's ratio of service representatives to plan participants? How many full-time salaried service representatives will be provided to service this account? Are they also responsible for other accounts? If so, what are the sizes of the other accounts?
6. Are you willing to make representatives available to conduct the initial enrollment, complete the installation of the program, and assist in establishing administrative procedures for operating the plan?
7. Would you provide a toll-free number for this account?
8. Do you have interactive voice response capabilities? Indicate if the following capabilities are included.

Options	Yes/No
a. Available 24/7?	
b. Dental Claim Status	
c. Eligibility Verification	
d. Other?	

#### Cost Management

1. Explain in detail:
  - a. The specifics of any cost management control programs that are a routine part of your systems and procedures.
  - b. The specifics of your internal audit procedures to assure adherence to intent of coverage, mathematical accuracy, and detection and prevention of fraud.
2. Give details of the methods and standards you use to check:
  - a. Insured abusing the benefit program.
  - b. Inadequate or inappropriate services by providers.
3. Is liability insurance carried for all components of your plan? Identify the level of liability and type of coverage carried.

#### Dental Network

1. Do you offer a dental PPO network? If yes, are your networks "owned" or "leased"? If any are leased, please indicate what networks are used in the State of Indiana.
2. State the number of PPO network dentists you have in the State of Indiana by:
  - Unique licenses
  - Unique locations
  - Access points
3. Use the zip codes contained in the demographic data (see

Attachment F) to indicate the number and type of providers (i.e., dentists, specialty dentists, non-dentist specialists) in each area. Please identify if this is a three-, four-, or five-digit match.

- a. Indicate the percent of plan participants who do not have reasonable access to the network.
- b. How do you define “reasonable access”?
4. Are your providers prevented by contract from procedure splitting billing practices?
5. Which payments, if any, to dentists are required at the time of service?
6. What percentage of claims processed by your organization during each of the last two years were for services provided by a network provider?
7. List the cost trend on your network for 2003, 2004, 2005, and 2006.
8. What percentage of network dentists are not accepting new patients?
9. Describe how (a) general dentists, (b), dental specialists, (c) non-dental specialists are selected and monitored. This includes describing your provider nomination process, your provider assessment process, and your ongoing provider review.
10. How often do your provider relations groups visit dental offices and what data is gathered in a site visit?
11. How many provider relations representatives do you have dedicated only to the State of Indiana?
12. What is the dentist turnover rate? Please provide this turnover rate by network. How many dentists have been expelled from your networks and for what reasons?
13. Describe the current financial arrangements you have negotiated with providers. Specifically, what percent of your current contracts utilize the following, and what is your average savings and discounts from the arrangement:
  - a. Capitation
  - b. Case premium/fee
  - c. Discount off charges
  - d. Specific stop loss arrangements
  - e. Withholds or bonus arrangements
14. Describe the procedure for resolution of problems when a member is dissatisfied with the provider, a referral, or loss of coverage. Include your formal grievance procedure as well as your average response time to resolving these issues. Please confirm your compliance with the Department of Insurance.

#### Current Dental Business

1. Please indicate your current number of single employer groups for whom you provide dental services. How many subscribers does this represent? How many of the groups that you provide dental services for have more than 10,000 subscribers? Please list your top five dental customers with their number of subscribers.
2. Provide the subcontractor agreements(s) if subcontractors are used.

#### Account Performance Services

1. Please indicate your firm's performance goals and actual 2005 and 2006 results regarding each of the following for the account service office that will be used by the State of Indiana.

	2005 Actual	2005 Goal	2006 Actual	2006 Goal	2007 Goal
Percent of calls receiving a busy signal					
Percent of calls answered within 30 seconds					
Average Speed of answer, i.e., to service representative					
Call abandonment rate					
Average time to abandonment					
Other performance standards (please describe)					

2. How often do you survey providers and will the results of the surveys be shared with the State?
3. If not described in detail elsewhere, what performance arrangements are you proposing for the State of Indiana? What are your standard performance arrangements? Please explain.
4. Discuss ways in which you provide consulting support for:
  - a. Trends for the plan, the State, and the nation.
  - b. Overall analysis and suggested improvement of the State of Indiana plan considering participant demographics and quality of care.

#### Claim Administration

1. Where is the location of the office that will be responsible for processing dental benefits? If not previously detailed in the general questionnaire sections, please describe how your claims



- operation is organized to service the client. Will all claims be processed at this one location? If not, please explain.
2. Do you utilize non-U.S. based outsourced personnel for any functions?
  3. What alternate facilities are provided in the event of mainframe shutdown or emergency?
  4. What percentage of claims do you receive electronically? Describe how these claims are received and what percentage of claims is totally adjudicated electronically.
  5. What was the average claim processor turnaround in days for the designated claim offices in 2005 and 2006?
  6. For the most recent three-month period for the claim office proposed for the State of Indiana, show the percentage of claims paid within the following number of working days:
    - a. 5
    - b. 10
    - c. 15
    - d. 20
  7. Please describe your system edits for identification of fraudulent claims.
  8. Do you employ full time dental consultants? How many are at the facility where the State of Indiana claims will be paid and what specialties do they represent and cover? How does this panel get involved in reviewing or assisting with claim adjudication?
  9. Please describe the quality control measures (both internal and external) your company utilizes to monitor the accuracy of claims re-pricing and claims payment functions.
  10. Will you accept responsibility for errors resulting in overpayments by claim staff? If not, detail the process for recovery of overpayments.
  11. Does your company coordinate benefits? If yes, in administering coordination of benefits where the State's plan is secondary, does your company (a) wait until determining the amount paid by the primary coverage; (b) estimate the amount paid by the other plan; or (c) pay the claim and then attempt to recover from the primary coverage? Please elaborate.
  12. Please explain the claim submission and benefit payment process, if applicable, for the proposed arrangement:
    - a. Must the dentist first submit a treatment plan (please explain)?
    - b. Must claim forms be submitted?
    - c. What about claims incurred outside of the service area such as emergency care or care for an out-of-state student?
    - d. Under what circumstances are non-network providers used? How are these providers paid?
    - e. How are participant complaints handled? Describe the appeals process.

13. Do you understand that the State may perform a claim audit using either internal or third party personnel upon reasonable notice?
14. How often are internal audits performed and by whom? Please attach a copy of the last audit performed.

Services Allowance Chart  
State of Indiana  
Coverage Information by ADA Service Code

Please provide allowances for services listed below. We have provided weighting factors as a basis for calculating a weighted average. Please base your response on 3-digit zip code 462.

ADA Code	Description	Weight	Maximum PPO Allowance	Maximum Indemnity Allowance
120	Oral Examination – Periodic	32.22%		
210	Radiograph – intraoral, complete series (incl. Bitewings)	2.66%		
274	Radiograph – bitewing, 4 films	8.07%		
1110	Prophylaxis – Adult	27.85%		
1203	Fluoride – topical application, child	5.81%		
1351	Sealant (per tooth)	2.84%		
2150	Amalgan Restoration – two surfaces	6.25%		
2330	Resin Restoration – one service, anterior	2.40%		
2790	Crown – Full cast high noble metal	1.39%		
2950	Crown buildup (substructure) including any pins	1.13%		
3330	Root canal therapy – molar (excl. final restoration)	0.63%		
4341	Periodontal scaling and root planning – 4+ per quad	1.30%		
4910	Periodontal maintenance	2.12%		
5110	Denture – complete, maxillary	0.17%		
7140	Extraction, erupted tooth or exposed root	4.32%		
7240	Extraction – Surgical, impaction, complete bony	0.85%		

Total/Weighted Average (based on factors provided)	100%	\$0.00	\$0.00
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If more than one plan is offered (e.g., indemnity, PPO), please complete for each plan.

NOTE: The table above will be used in our claims management analysis and projections under a self-funded basis. Please complete it in your response.

Utilization Frequency Chart  
State of Indiana  
Coverage Information by ADA Service Code

Please provide the utilization frequency of these services for your book of business (calendar year 2006 preferred) for services listed below:

ADA Code	Description	Utilization Frequency	
		PPO	Indemnity
120	Oral Examination – Periodic		
210	Radiograph – intraoral, complete series (incl. Bitewings)		
274	Radiograph – bitewing, 4 films		
1110	Prophylaxis – Adult		
1203	Fluoride – topical application, child		
1351	Sealant (per tooth)		
2150	Amalgan Restoration – two surfaces		
2330	Resin Restoration – one service, anterior		
2790	Crown – Full cast high noble metal		
2950	Crown buildup (substructure) including any pins		
3330	Root canal therapy – molar (excl. final restoration)		
4341	Periodontal scaling and root planning – 4+ per quad		
4910	Periodontal maintenance		
5110	Denture – complete, maxillary		
7140	Extraction, erupted tooth or exposed root		
7240	Extraction – Surgical, impaction, complete bony		
	Other		

<b>Total:</b>		
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If more than one plan is offered, (e.g., indemnity, PPO), please complete for each plan.

## 2.5 COST PROPOSAL

### **Plan A - State of Indiana employees and retirees (Administrative Services Only)**

4 Year Contract	Single	Family
Administrative Cost		
Recommended Bi-Weekly Premium Charge		
Recommended Monthly Premium Charge		

8 Year Contract	Single	Family
Administrative Cost		
Recommended Bi-Weekly Premium charge		
Recommended Monthly Premium Charge		

### **Plan A - Local Units of Government (Fully Insured)**

4 Year Contract	Single	Family
Bi-Weekly Premium		
Monthly Premium		

8 Year Contract	Single	Family
Bi-Weekly Premium		
Monthly Premium		

### **Plan B - State of Indiana employees and retirees (Administrative Services Only)**

4 Year Contract	Single	Family
Administrative Cost		
Recommended Bi-Weekly Premium Charge		
Recommended Monthly Premium Charge		

8 Year Contract	Single	Family
Administrative Cost		
Recommended Bi-Weekly Premium charge		
Recommended Monthly Premium Charge		

### **Plan B - Local Units of Government (Fully Insured)**

4 Year Contract	Single	Family
Bi-Weekly Premium		
Monthly Premium		

8 Year Contract	Single	Family
Bi-Weekly Premium		
Monthly Premium		

## 2.6 INDIANA ECONOMIC IMPACT

All companies desiring to do business with state agencies must complete an “Indiana Economic Impact” form (Attachment C). The collection and recognition of the information collected with the Indiana Economic Impact form places a strong emphasis on the economic impact a project will have on Indiana and its residents regardless of where a business is located. The collection of this information does not restrict any company or firm from doing business with the state.

## 2.7 BUY INDIANA INITIATIVE/INDIANA COMPANY

It is the Respondent’s responsibility to confirm its Buy Indiana status for this portion of the process. If a Respondent has previously registered its business with IDOA, go to [www.BuyIndiana.In.gov](http://www.BuyIndiana.In.gov) and click on the link to update this registration. Click the tab titled Buy Indiana. Select the appropriate category for your business. Respondents may only select one category. Certify this selection by clicking the check box next to the certification paragraph. Once this is complete, save your selection and exit your account.

Respondents that have not previously registered with IDOA must go to [www.BuyIndiana.IN.gov](http://www.BuyIndiana.IN.gov) and click on the link to register. During the registration process, follow the steps outlined in the paragraph above to certify your business’ status. The registration process should be complete at the time of proposal submission.

### **Defining an Indiana Business:**

“Indiana business” refers to any of the following:

- (1) A business whose principal place of business is located in Indiana.
- (2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
- (3) A business that employs Indiana residents as a majority of its employees.

Respondents claiming this status must indicate which of the provisions above qualifies them as an Indiana business. They must also fully complete the Indiana Economic Impact Form (Attachment C) and include it with their response.

The following is the policy concerning items 4 & 5 described below. Appropriate documentation must be provided with your proposal response supporting either claim made below:

- (4) A business that makes significant capital investments in Indiana.
- (5) A business that has a substantial positive economic impact on Indiana.

**Substantial Capital Investment:**

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category #4. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

**Substantial Indiana Economic Impact:**

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (DWD), unemployment taxes (DWD), payroll withholding taxes (DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under category #5. If a Respondent needs assistance in determining if its business qualifies under this criterion, please send an email inquiry to [buyindianainvest@idoa.in.gov](mailto:buyindianainvest@idoa.in.gov) and you will receive a response within forty-eight (48) hours. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

## **SECTION THREE PROPOSAL EVALUATION**

### **3.1 PROPOSAL EVALUATION PROCEDURE**

The State has selected a group of personnel to act as a proposal evaluation team. Subgroups of this team, consisting of one or more team members, will be responsible for evaluating proposals with regard to compliance with RFP requirements. All evaluation personnel will use the evaluation criteria stated in Section 3.2. The Commissioner of IDOA or her designee will, in the exercise of her sole discretion, determine which proposals offer the best means of servicing the interests of the State. The exercise of this discretion will be final.

The procedure for evaluating the proposals against the evaluation criteria will be as follows:

- 3.1.1 Each proposal will be evaluated for adherence to requirements on a pass/fail basis. Proposals that are incomplete or otherwise do not conform to proposal submission requirements may be eliminated from consideration.
- 3.1.2 Each proposal will be evaluated on the basis of the categories included in Section 3.2. A point score has been established for each category.
- 3.1.3 If technical proposals are close to equal, greater weight may be given to price.
- 3.1.4 Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous to the State, taking into account all of the evaluation factors, may be selected by IDOA and the State Personnel Department for further action, such as contract negotiations. If, however, IDOA and the State Personnel Department decide that no proposal is sufficiently advantageous to the State, the State may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, IDOA may begin contract preparation with the next qualified Respondent or determine that no such alternate proposal exists.

### **3.2 EVALUATION CRITERIA**

Proposals will be evaluated based upon the proven ability of the Respondent to satisfy the requirements of the RFP in a cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The points associated with each category are indicated following the category name (total maximum points = 100). If any one or more of the listed criteria on which the responses to this RFP will be evaluated are found to be inconsistent or incompatible

with applicable federal laws, regulations or policies, the specific criterion or criteria will be disregarded and the responses will be evaluated and scored without taking into account such criterion or criteria.

***Summary of Evaluation Criteria:***

<b>Criteria</b>	<b>Points</b>
1. Adherence to Mandatory Requirements	Pass/Fail
2. Management Assessment/Quality (Business and Technical Proposal)	35
3. Cost (Cost Proposal)	20
4. Indiana Economic Impact	15
5. Buy Indiana	10
6. Minority (10) and Women Business (10) Subcontractor Commitment	20
<b>Total</b>	<b>100</b>

All proposals will be evaluated using the following approach.

**Step 1**

In this step proposals will be evaluated only against Criteria 1 to ensure that they adhere to Mandatory Requirements. Any proposals not meeting the Mandatory Requirements will be disqualified.

**Step 2**

The proposals that meet the Mandatory Requirements will then be scored based on Criteria 2 and 3 ONLY. This scoring will have a maximum possible score of 55 points. All proposals will be ranked on the basis of their combined scores for Criteria 2 and 3 ONLY. This ranking will be used to create a “short list”. Any proposal not making the “short list” will not be considered for any further evaluation.

Step 2 may include one or more rounds of proposal discussions focused on cost and other proposal elements.

**Step 3**

The short-listed proposals will then be evaluated based on all the entire evaluation criteria outlined in the table above.

If the State conducts additional rounds of discussions and a BAFO round which lead to changes in either the technical or cost proposal for the short listed Respondents, their scores will be recomputed.



The section below describes the different evaluation criteria.

- 3.2.1 Adherence to Requirements – Pass/Fail
- 3.2.2 Management Assessment/Quality - 35 points
- 3.2.3 Price – 20 points
- 3.2.4 Indiana Economic Impact (15 points)

See Section 2.6 for additional information.

The total number of full time equivalent (FTE – please see Section 1.2 for a definition of FTE's) Indiana resident employees for the Respondent's proposal (prime contractor and subcontractors) will be used to evaluate the Respondent's Indiana Economic Impact. Points will be awarded based on a graduated scale. The Respondent with the most Indiana FTEs will be awarded 15 points. Points will then be awarded to the remaining Respondents proportionately.

- 3.2.5 Buy Indiana Initiative – 10 points

Respondents qualifying as an Indiana Company as defined in Section 2.7 will receive 10 points in this category.

- 3.2.6 Minority (10 points) & Women's Business (10 points) Subcontractor Commitment - (20 points).

The following formula will be used to determine points to be awarded:

The commitment factor for each proposal will be calculated by multiplying the commitment percentage by one hundred. The RFP score ratio will be determined by dividing the maximum allowable points by the highest commitment factor. The proposal with the highest commitment factor will be given the maximum allowable points. The points awarded to the other proposals will be calculated by multiplying the score ratio by the proposed commitment factor.

Commitment percentage \* 100 = commitment factor  
Maximum allowable points/highest commitment factor = score ratio  
Commitment factor \* score ratio = points awarded

The Commissioner of IDOA or her designee will, in the exercise of her sole discretion, determine which proposal(s) offer the best means of servicing the interests of the State. The exercise of this discretion will be final.